



**Delaware Jockey's Health & Welfare Benefit Board
Minutes of Regular Meeting Held
November 3, 2010**

The Delaware Jockey's Health & Welfare Benefit Board held a regular meeting on Tuesday, November 3, 2010, at 9:00 AM, in the second floor conference room of the Horsemen's Office, located on the grounds of Delaware Park, 777 Delaware Park Boulevard, Wilmington, Delaware 19804.

The following Board members were present:

Edward J. Stegemeier, Chairman
Bernard J. Daney, Ex-Officio
Bessie Gruwell, DTHA Board Member
William Hollick, Delaware Jockey Board Member
John Mooney, Delaware Racing Association Board Member

The following Board members were excused:

Clinton Potts, Delaware Jockey Board Member
Heriberto Rivera, Jr., Jockey's Guild Board Member

The following individuals were connected via telephone conference call:

Johanna Alvarez, MOC Insurance
Shawn Saling, MOC Insurance
John Unick, MOC Insurance

The following individuals also were present:

Andrew Kerber, Esq., Deputy Attorney General, Board Counsel
John F. Wayne, DTRC, Executive Director
Robert E. Colton, President, Delaware Jockey's Association
Shelley Perkins, DTRC, Paralegal I, recording minutes

1. WELCOME & CALL TO ORDER

Chairman Stegemeier called the meeting to order at 9:05 a.m., and welcomed those in attendance.

2. APPROVAL OF MINUTES

Upon a motion duly made (Gruwell) and seconded (Mooney) minutes of May 25, 2011 were approved as submitted.

3. OLD BUSINESS

None offered.

4. **FINANCIAL REVIEW - Presented by Robert Colton, Delaware Jockey's Association**

- A. **2010 Statement of Financials:** Nearly \$100,000 excess most due to lack of riders participating – of 47 eligible 22 declined coverage – that's almost one half. Chairman Stegemeier remarked that 2010 showed a credit for the On-Track Excess Program and that same credit is used under projected costs in 2011 – Mr. Colton replied the policy provides a refund of \$8 per each mount coverage and \$697 per canceled racing days that is credited in next year's cost of the policy.
- B. **Interest Income:** From Delaware Department of Agriculture (DDA) is the excess money invested. \$2,500 to \$3,000 per month interest earned.
- C. **Counseling Projected:** Chairman Stegemeier reminded Mr. Colton that counseling is budgeted at a maximum of \$4,000 per year and so projected at \$5,000 is not acceptable.
- D. **Year-To-Date 2010 (correct):** In that \$997,000 credit of \$11,280, credit from excess on-track that reduces next year's premium. Chairman Stegemeier stated that it should be considered like a windfall and not considered excess – Mr. Colton made a slight correction to the projection – handed out at meeting based on United Healthcare 12% increase and figures for on-track coverage.
- E. **Correction:** On a new handout provided by Mr. Colton, the projection for 2011 was corrected due to the increase in retired members. A few retired members added health coverage when they lost their coverage previously provided to the employees of Delaware Park. The projected 2011 excess for both the on-track accident and the health insurance programs is \$53,000.
- F. **Projected Benefit Rates:** Guardian going up @ 2.3%
Dental going up @ 6%
Health going up @ 12.5%
- G. **Board Request:** The Board requests that Mr. Colton provide a breakdown on persons declining coverage to ascertain whether they're covered by a spouse's plan.
- H. **Participant List:** Mr. Colton handed out list of plan participants.

5. **PROPOSED RULE CHANGE**

- A. **Eligibility Requirements for Retired Jockey Status: Proposed by Mr. Hollick**
Discussion: Mr. Hollick's proposal to change retired rider eligibility – we're not allocating for Delaware riders only with 5,000 mounts – they get left out when they don't meet 5,000 mounts, i.e. Ms. Darci Rice.
- Chairman Stegemeier remarked that within the last year or two ago we lowered from 7500 to 5000 mounts. Mr. Hollick answered, asking why it matters if you've ridden 15,000 somewhere else and almost 5,000 at Delaware Park?
 - Mr. Colton reminded the Board that the numbers only include thoroughbred because he can't get access through Equibase on Arabian – in the last few years we've only found Darci and Alison Hershbell that do not meet eligibility.
 - Ms. Gruwell inquired as to why 7 years was the magic number. Mr. Colton answered, stating it was based on the Jockey Guild's (Guild) requirement of 8 years. Per Mr. Mooney, the Guild put it at 7 years because they needed to limit their spending.
 - Mr. Colton remarked that he would review with Mr. Sailing and Mr. Unick about changing regulation to include Darci Rice. Mr. Mooney disagreed, stating I don't think the 7000 is going to hurt you – and the number of retired jockeys will continue to expand. Chairman Stegemeier added that Ms. Rice has been a topic for the past several years – Stegemeier to Kerber: is there a way we can carve out a niche to include Darci – Kerber we could create a disclaimer to Darci's inclusion? Kerber we could draw up something that she had 8 years – using the numbers from Hollick's 4-b – Kerber said the board could align a disclaimer specific to Ms. Rice's numbers on Hollick's hand out.

- Mr. Wayne remarked that the emphasis should be on the number of years they raced and, in his opinion, years is more important than number of mounts i.e. Darci Rice.
- Mr. Unick remarked that California will be facing this issue at a more heightened financial sensitivity for retired jockeys and encouraged the board that it may in the future create a situation with California and Mr. Unick will need to hand-hold California – but cautioned the board not to get caught with their “pants down.”
- Mr. Kerber – timeline – publish December 1 in regulations (with DTRC rule change) and along with DTRC Wilcox and Fetzer at DDA January 11 - scheduling conflicts for scheduling in Dover with DJH&WBB January 11 – so may get pushed to February meeting on February 15 and if not February then March – Darci’s coverage then would be in ten days after final rule change is published at the earliest of March 15, 2011.
- In conclusion and upon a motion duly made (Gruwell) and seconded (Mooney) the motion passed to change according to Mr. Hollick’s proposal, as indicated below.

The Delaware Jockey’s Health and Welfare Benefit Board, in accordance with 3 Del.C. §10103(c) has proposed changes to its rules and regulations. This rule change is proposed to amend retired member eligibility. The proposed rule change amends Rule 2.1.2.2 by eliminating the minimum number of career mounts, as follows:

2.1.2 A Retired Delaware Jockey is eligible for health insurance coverage under the Fund if:

2.1.2.1 The Jockey was receiving health insurance coverage as a retired jockey provided by the Delaware Thoroughbred Racing commission’s health insurance plan with the Jockey’s Guild on January 1, 2006; or

2.1.2.2 The Jockey rode a minimum of 100 mounts at Delaware Park during the regular Delaware Park season for at least seven years. ~~and had at least 5,000 career mounts at any track.~~

B. Permanently Disabled: Proposed by Mr. Hollick

Upon a motion duly made (Gruwell) and seconded (Mooney) the motion passed to change according to Mr. Hollick’s proposal, as indicated below.

The Delaware Jockey’s Health & Welfare Benefit Board, in accordance with 3 Del.C. §10103(c) has proposed changes to its rules and regulations. This rule change is proposed to amend eligibility defined for permanently disabled members. The proposed rule change amends Rule 2.1.3.1 by removing the existing language and replacing it with new language, as follows:

2.1.3 A disabled Delaware Jockey’s spouse and dependents qualify for health benefits if the disabled jockey meets all of the following requirements:

2.1.3.1 ~~Qualification as an active Delaware jockey as defined by 2.1.1 for at least three years preceding determination of permanent disability. The jockey was an active participant in the Delaware Jockeys’ Health and Welfare Fund benefit program at the time of the on-track accident that resulted in total and permanent disability; and~~

2.1.3.2 Be deemed permanently disabled by Social Security and qualify for Medicare as a result of an injury sustained during the regular Delaware Park season on the premises of Delaware Park, and arising in the course of his/her participation as a licensed jockey

6. **NEW BUSINESS**

A. **Jockey's Guild**

Mr. Colton received bills from a jockey during Guild transition to our coverage and gave to the Guild to pay and Guild didn't pay as was required by agreement with Guild to honor bills unpaid. Chairman Stegemeier inquired as to what Mr. Colton was asking for – asking for DJH&WBB to compel the Guild to pay. JFW to handle with DJH&WBB and put under DTRC

B. **Assistance Fund**

Audience comment from DTRC Secretary/Commissioner, W. Duncan Patterson, Jr. – fund that Delaware Park put together to help jockey that was injured – they'd make a request for money for living needs and Mr. Fasy, Mr. Hollick, and Mr. Patterson would review request and approve and determined by those three people on a case-by-case basis. It's a trust created by Delaware Park several years ago and drawn at least once from per year for the past 3 years. Includes financial hardship, i.e. house burns down, death in family. Ms. Gruwell inquired if it included backside workers and in reply Mr. Patterson stated to his knowledge it covers jockeys although he doesn't want to speak for Mr. Fasy – in the past we've only given out to jockeys. About 100,000 to 150,000 balance in fund and lent on basis of request and approval of those three – so the request to the board is to partially fund that. Mr. Kerber will review our statute and report whether or not this board can contribute to that fund. Step one: Mr. Kerber, Mr. Wayne reminded Mr. Kerber that there have been times DJH&WBB has given money – i.e. honorarium to u of d for nutrition and given to the permanently disabled jockey's fund.

7. **ADJOURN**

Chairman Stegemeier remarked, before closing the meeting, DJH&WBB surplus of @ \$80,000. Chairman Stegemeier thanked Mr. Colton for his hard work. Chairman Stegemeier to audience – we've changed the eligibility for retired jockeys and reviewed 2011 projections – and granted Luis Diaz family coverage. Mr. Unick recognized Johanna and Shawn of MOC for their work and increase was slightly below trend at 14% and we came in at 12.5% increase. Mr. Stegemeier to Mr. Unick: please monitor our expanded coverage costs. Mr. Unick will keep us informed on the California retired jockey issues and will project the landscape going forward and will submit via e-mail to the board.

At 10:23 a.m., Chairman Stegemeier adjourned the meeting.